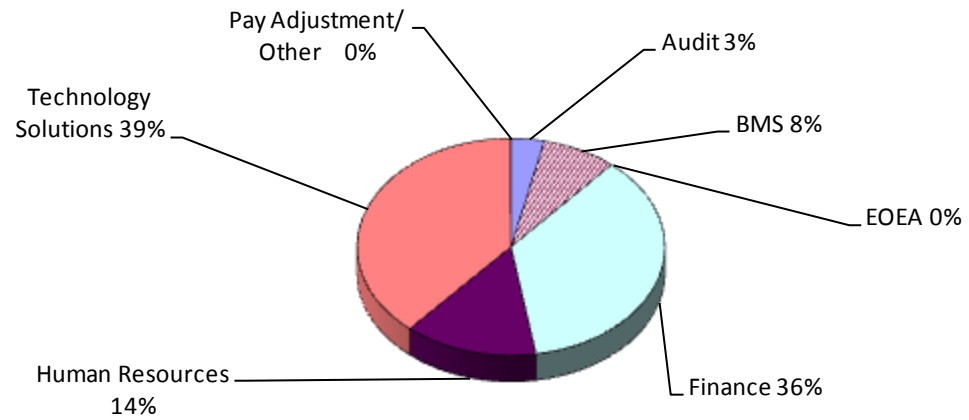


ADMINISTRATIVE AND SUPPORT BUDGET SUMMARY

<i>Non-Grant</i>	Actual FY 2010-11	Adopted FY 2011-12	Estimated FY2011-12	Proposed FY2012-13	Change
Appropriations					
Audit Services	\$ 581,166	\$ 565,703	\$ 573,718	\$ 539,355	-4.7%
Budget and Management Services	1,031,032	1,145,424	1,184,811	1,209,935	5.6%
Equal Opportunity and Equity Assurance	-	-	-	-	0.0%
Finance	5,518,510	5,880,497	5,882,931	5,567,986	-5.3%
Human Resources	1,661,098	1,635,271	1,649,570	1,663,558	1.7%
Drug Testing	46,131	42,000	67,500	-	-100.0%
Hospital Reimbursement	45,208	150,000	149,980	150,000	0.0%
Unemployment Compensation	284,297	285,000	523,518	350,000	22.8%
Technology Solutions	5,141,046	5,500,770	5,970,449	5,947,447	8.1%
Pay Adjustments/Other	147,560	99,000	40,753	11,730	-88.2%
Total Appropriations	\$ 14,456,048	\$ 15,303,665	\$ 16,043,230	\$ 15,440,011	0.9%
Full Time Equivalents	128	130	131	132	2
Part Time	2	3	3	2	-1
Revenues					
General Fund					
Discretionary	\$ 13,776,410	\$ 14,613,893	\$ 15,384,059	\$ 14,760,605	1.0%
Program	488,909	501,113	516,192	495,459	-1.1%
General Fund Subtotal	\$ 14,265,319	\$ 15,115,006	\$ 15,900,251	\$ 15,256,064	0.9%
Water & Sewer Fund	190,730	188,659	142,979	183,947	-2.5%
Total Revenues	\$ 14,456,049	\$ 15,303,665	\$ 16,043,230	\$ 15,440,011	0.9%

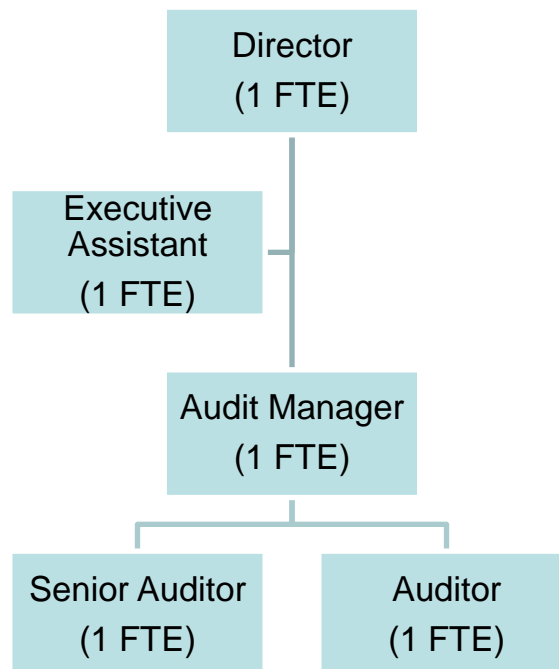
ADMINISTRATIVE AND SUPPORT





Audit Services

(5 FTEs)



AUDIT SERVICES

Purpose Statement:

To provide independent and objective assurance and consulting services that facilitate decision-making and enhance the efficiency of government services.

DEPARTMENT DESCRIPTION

Audit Services

\$539,355

5 FTEs

Auditing is an independent appraisal function designed to examine and evaluate activities within the City as a service to management, the Audit Services Oversight Committee (ASOC), and elected officials. Auditing provides assurance that internal controls are adequate to minimize risks and add value through effective and efficient operations. External entities are also subject to review to determine whether revenues have been properly remitted to the City, and whether grant or pass-through funds are appropriately utilized.

The Audit Services Department conducts compliance and performance audits, and performs investigations and special reviews. The department is responsible for administration of the external audit contract as well as obtaining an external peer review of the department's activities. The department maintains a confidential Fraud, Waste, and Abuse Hotline to help ensure fiscal responsibility and accountability throughout the organization.

Audit Program

Provides independent assurance that internal controls are adequate to minimize risks and add value.

Fraud, Waste and Abuse

Promotes an anonymous means to detect, deter and prevent fraud, waste or abuse.

Administration

Organizes human and capital resources through planning, leading, staffing and controlling activities.

External Audit

Administers the contract and the RFP process for the external auditor.

RESOURCE ALLOCATION

	Actual FY 2010-11	Adopted FY 2011-12	Estimated FY2011-12	Proposed FY 2012-13	Change
Appropriations					
Personal Services	\$ 464,811	\$ 447,787	\$ 455,711	\$ 454,213	1.4%
Operating	116,355	117,916	118,007	83,992	-28.8%
Capital	-	-	-	1,150	100%
Total Appropriations	\$ 581,166	\$ 565,703	\$ 573,718	\$ 539,355	-4.7%
Full Time Equivalents	5	5	5	5	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 581,166	\$ 565,703	\$ 573,718	\$ 539,355	-4.7%
Program	-	-	-	-	0%
Total Revenues	\$ 581,166	\$ 565,703	\$ 573,718	\$ 539,355	-4.7%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Audit Program **General Fund: \$283,470**
FTEs: 3

Goal: Well Managed City

Objective: To provide independent and objective assurance and consulting services that enhance the efficiency and effectiveness of the City's services; and ensure resources are used in accordance with established laws.

Initiative: Complete comprehensive audits and quarterly follow-up reports and provide useful recommendations for management.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Comprehensive audits completed	10	10	10	11
% Recommendations accepted by management	98%	98%	91%	98%
# Audits/Reports completed during the year per FTE	4	5	4	4
% Actual versus budgeted hours used per audit	117%	100%	110%	100%

Objective: Effectively communicate audit activities to assist the ASOC in fulfilling its oversight responsibilities.

Initiative: Present the Annual Audit Plan and monthly reports to the ASOC.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% of Audits approved on initial presentation	100%	100%	100%	100%

Program: Fraud, Waste and Abuse **General Fund: \$59,652**
FTEs: 0.625

Goal: Well Managed City

Objective: To increase awareness about fraud, waste and abuse by communicating the need for ethical behavior regarding City financial transactions and relationships with customers, vendors and employees.

Initiative: Market the fraud, waste and abuse Hotline in at least 2 different media during the year in conjunction with City wide training on ethics.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% of Fraud hotline tips investigated within 2 days	100%	100%	100%	100%
% of Fraud hotline tips substantiated	20%	50%	50%	20%
# of Fraud, waste and abuse allegations investigated	10	6	14	10

Program: Administration **General Fund: \$119,303**
FTEs: 1.250

Goal: Well Managed City

Objective: Obtain training and maintain certifications for staff to meet required professional standards, and to sustain a highly trained professional staff.

Initiative: Meet the GAO's Government Auditing Standard that requires each auditor to complete at least 80 hours of Continuing Professional Education every two years which contributes to each auditor's proficiency.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# of CPE hours completed by the staff	160	160	160	160
% of Audit staff achieving professional certification	100%	100%	75%	100%

Objective: Engage in continuous process improvement.

Initiative: Evaluate existing technologies. Implement technologies to streamline/ enhance departmental operations.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% of Active Strategic Plan initiatives meeting target implementation timeline	N/A	N/A	N/A	80%
% of Active Strategic Plan measures showing improvement (upward trend)	N/A	N/A	N/A	80%

Objective: Ensure effective communication.

Initiative: Develop an action plan to address any issues on the employee opinion survey scoring below 70%. Evaluate the level of effectiveness of various means of internal communication. Implement communication strategies identified as most effective.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% of Questions on employee opinion survey regarding communication rating at or above 70%	N/A	N/A	N/A	90%

Program: External Auditor

General Fund: \$76,930

FTEs: 0.125

Goal: Well Managed City

Objective: To conform to requirements for contracting for the annual audit per North Carolina G.S.159-34.

Initiative: Comply with invoice processing and audit completion deadlines.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% of Invoices approved prior to entering into MUNIS	100%	100%	100%	100%
% of Times audit report was completed by the designated 10/31 deadline each FY	N/A	N/A	N/A	100%

Objective: To present audit report to ASOC (independent audit committee) on a timely basis.

Initiative: Ensure presentation for financial audit review/approval with ASOC members.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% of Times annual financial audit is presented to ASOC members prior to being submitted to LGC	N/A	N/A	N/A	100%

BUDGET ISSUES FOR FY 2012-13

- The external audit contract fee decreased by 36% for FY 2013. The fee will increase by approximately 3% for FY 2014.

COMPLETED INITIATIVES FOR FY 2011-12

- Emphasized increased monitoring and internal control implementation through a combination of compliance and performance audits for activities such as the CDBG Grant Application Process, Meter Reading, Inventory, Fleet Utilization and Controls Over Recording and Reporting of Leave.
- Developed performance measures for new departmental Strategic Plan.
- Served as Citywide Strategic Plan Goal Champion for the Performance Monitoring Team.
- Completed the first Fraud Prevention Awareness Month Symposium with the State Auditor as the speaker. This activity was developed for the Senior Management Group to reinforce the behavioral paradigm shift resulting from communicated expectations in ethical behavior.
- Volunteered in programs such as Habitat for Humanity with 100% participation from staff.
- Utilized the ACL software application, Benford's Law, and computer aided audit techniques to better assess risks during audit engagements.
- Obtained a total of 160 hours of required continuing professional education including 8 hours of ethics training for the professional staff.
- Completed ten activities towards improvement of the employee opinion survey rating.
- Participated in facilitating training for the revised Ethics Policy.
- Monitored the Fraud, Waste and Abuse hotline; investigated 13 allegations year-to-date.
- Evaluated and developed specific training and career development plans for Audit staff.
- Participated in City College to provide employees a general overview of the Audit Services Department.
- Created one developmental opportunity to support the Culture of Service Service to Co-Workers initiative.
- Mentored to sister city citizen for six months to provide work experience towards a professional certification.

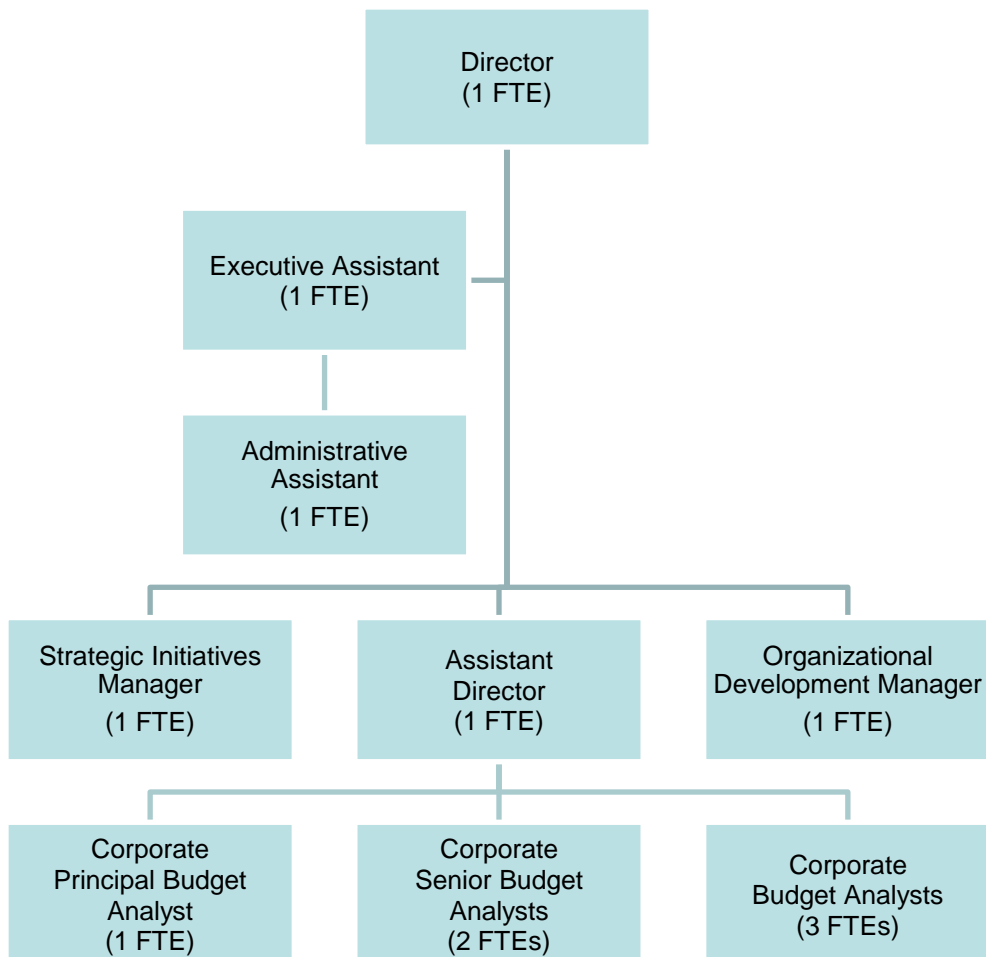
DEPARTMENT INITIATIVES FOR FY 2012-13

- Focus on creative approaches to a risk based approach to auditing.
- Develop a departmental Strategic Plan with measureable performance metrics.
- Apply continuous monitoring for selected processes as a result of using the MUNIS integrated modules.
- Present a training module targeted to City staff accountable for developing, implementing, and monitoring internal controls.
- Evaluate and continue to develop specific training, career development and certification plans for Audit staff.
- Enhance sustainability initiatives to gain efficiencies in the auditing program, thus reducing costs.
- Develop relationships guided by industry best practices to complement the risk-based audit work plan developmental process.
- Produce a semi-annual newsletter that will provide "best practices" of specific targeted control issues, and update the community on fraud and abuse issues.
- Work towards a 100% certified staff.
- Participate in City College to provide a general overview to employees of the Audit Services Department.
- Participate in the building of at least two Habitat for Humanity houses.
- Develop and implement strategies to improve employee satisfaction within the department by using results from employee opinion survey to impact positive change.
- Seek to integrate outside experts in the areas of ethics and internal controls to supplement in house staff training.



Budget & Management Services

(12 FTEs)



BUDGET AND MANAGEMENT SERVICES

Purpose Statement:

To inform and enhance management and City Council decision making, ensuring the accountability of all City funds while evaluating and recommending the best use of public resources.

DEPARTMENT DESCRIPTION

Budget and Management Services

\$1,209,935
12 FTEs

The department is primarily responsible for developing and monitoring the City's annual budget and Capital Improvement Program (CIP). The department is also responsible for maintaining the City's five year multi-year financial plan and Strategic Plan. The department provides professional management that is accountable, efficient, and transparent which primarily supports two Strategic Plan goals; Well Managed City and Stewardship of the City's Physical Assets.

The department processes petition annexations, oversees the programming of Impact Fee Funds, provides training support for the MUNIS / ERP budgeting module, the coordination of cross-organization training and leadership initiatives such as Culture of Service, and participation in downtown and neighborhood economic strategies. Overall the department is focusing on furthering the goal of transparency and accountability with its operations and communications and enhancing citizen and employee engagement.

RESOURCE ALLOCATION

	Actual	Adopted	Estimated	Proposed	
	FY 2010 - 11	FY 2011 - 12	FY 2011 - 12	FY 2012 - 13	Change
Appropriations					
Personal Services	\$ 961,055	\$ 934,926	\$ 992,044	\$ 1,099,575	17.6%
Operating	69,977	210,498	192,767	100,227	-52.4%
Non - Cash Items	-	-	-	10,133	100.0%
Total Appropriations	\$ 1,031,032	\$ 1,145,424	\$ 1,184,811	\$ 1,209,935	5.6%
Full Time Equivalents	10	10	11	12	2
Part Time	-	1	1	0	-1
Revenues					
Discretionary	\$ 1,029,698	\$ 1,144,424	\$ 1,183,561	\$ 1,208,935	5.6%
Program	1,334	1,000	1,250	1,000	0.0%
Total Revenues	\$ 1,031,032	\$ 1,145,424	\$ 1,184,811	\$ 1,209,935	5.6%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Annual Budget Development, Monitoring and Reporting	General Fund: \$543,829
		FTEs: 6.5
Goal:	Well Managed City	
Objective:	To provide a budget document that meets the program criteria of the Government Finance Officers Association (GFOA) and serves as a policy document, operations guide and financial plan for the City.	
Initiative:	Issue a budget document that qualifies for GFOA Distinguished Budget Presentation Award.	

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures: Received GFOA distinguished budget award	Yes	Yes	Yes	Yes

Objective: To project General Fund discretionary revenues to within 1% of actual revenues received.

Initiative: Budget staff will work with others, such as the North Carolina League of Municipalities, other City departments, and the Durham County Tax Office to ensure that the information needed to make projections is available and updated on a routine basis.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures: % Accuracy of discretionary General Fund revenue projection	+1.5%	±1.5%	-0.2%	±1.0%

Objective: To provide timely and accurate reports to the City Manager and City Council to disclose significant issues affecting the City's current and future financial position and to support decision making.

Initiative: Provide quarterly financial reports to the City Manager and City Council and post information on the internet.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures: % Reports issued on schedule	100%	100%	100%	100%

Objective: To project City department budgets and fund budgets at or below budget.

Initiative: Provide monthly reconciliations of City budgets, and work with departments to ensure that revenues and expenditures are monitored and accurately forecasted.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures: % Departments at or below net funding	N/A	100%	96%	100%

Program: Annual Capital Improvement Program Development,
Monitoring and Reporting

General Fund: \$59,779
FTEs: 0.5

Goal: Stewardship of City's Capital Assets

Objective: To invest in public infrastructure.

Initiative: Manage decision-making process and information that allows for strategic investment in infrastructure.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures: % of Requested General Fund CIP projects approved for funding	0%	38%	87%	80%
General Fund CIP investment per capita	\$0	\$34	\$20	\$34

Program: Annexations

General Fund: \$46,013
FTEs: 0.5

Goal: Strong and Diverse Economy

Objective: To grow tax base, and promote and facilitate sustainable growth in the City to enhance livability and economic viability.

Initiative: Manage decision-making process and information that allows for sustained tax base growth.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# of Annexations completed	5	4	7	5
% of Annexation requests submitted to Council within 6 months of submittal	N/A	50%	78%	50%
% of Tax base growth	3%	3%	3%	3%

Program: Process Evaluation & Improvements/Special Projects **General Fund:** \$170,010
FTEs: 0.5

Goal: Well Managed City
Objective: To initiate process improvements in City government that will increase the efficiency and effectiveness of operations.

Initiative: To implement process improvement initiatives.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# of Process improvement initiatives completed	2	2	2	2
% of Approved process improvement recommendations implemented by original target date	100%	100%	74%	100%
% of No cost process improvement recommendations implemented within 6 months of final approval	N/A	100%	77%	100%
Staff hours/cost per process improvement	N/A	N/A	125/\$4,200	125/\$4,200

Program: Citywide Initiatives/Organizational Development **General Fund:** \$193,340
FTEs: 1.0

Goal: Well Managed City
Objective: To establish an exceptional, diverse and engaged workforce.
Initiative: Increase employee engagement through organizational development initiatives.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# of Employees participating in Durham First initiatives	1,500	1,500	1,500	1,500
City College	30	30	39	40
Leadership Academy	14	14	15	16
Leadership Conference	300	300	239	240

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Administrative Professionals Conference	150	150	120	120
Average cost/employee Durham First initiatives	\$3	\$3	\$3	\$3
City College	\$83	\$83	\$70	\$70
Leadership Academy	\$860	\$860	\$860	\$860
Leadership Conference	\$17	\$17	\$5	\$17
Administrative Professionals Conference	\$13	\$13	\$13	\$13

Objective: Manage talent and ensure continuity of leadership.

Initiative: Increase employee engagement through organizational development initiatives.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% Increase in employee engagement index	N/A	1%	N/A	1%
# of Existing employees promoted to management positions	58	N/A	56	45
# of Leadership program graduates promoted within 2 years	3	2	9	6

Program: Administration

General Fund: \$196,964
FTEs: 3.0

Goal: Well Managed City

Objective: Engage in Continuous Process Improvements

Initiative: Ensure implementation of all strategic plan initiatives.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% of Active Strategic Plan initiatives meeting target implementation timeline.	N/A	N/A	N/A	85%
% of Active Strategic Plan measures showing improvement (upward trend)	N/A	N/A	N/A	85%

Objective: Ensure effective internal and external communication/satisfaction.

Initiative: Develop an action plan to address any issues on the employee opinion survey scoring below 65%. Improve communication and satisfaction with external customers (City Departments). Evaluate the level of effectiveness of various means of internal communication. Implement communication strategies identified as most effective.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% of Questions on employee opinion survey regarding communication / satisfaction rating at or above 70%.	N/A	N/A	N/A	80%
% of Questions on annual survey to departments rating at satisfied or above.	N/A	N/A	N/A	80%

BUDGET ISSUES FOR FY 2012-13

- Implementation of the City strategic plan.
- Development and implementation of departmental strategic plans.
- Development of departmental performance measures.
- Implementation of performance based budgeting for all departments.

COMPLETED INITIATIVES FOR FY 2011-12

- Granted the Distinguished Budget Document award for the FY2010-11 budget from the Government Finance Officers Association. This is the 23rd consecutive year that the City has received this award.

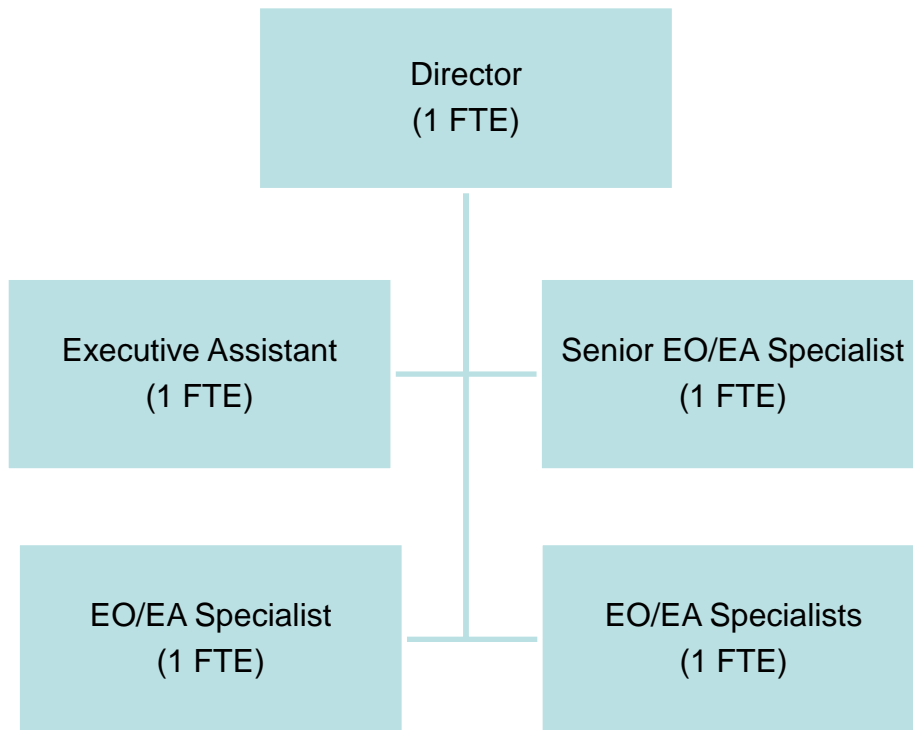
- Staffed the Citizen's Capital Improvement Panel (CCIP) Advisory Committee for the 9th year to enhance citizen participation in the prioritization and oversight of capital needs, as well as an Internal CIP Advisory Committee to improve coordination of capital projects within the City.
- Coordinated five Coffees with Council, a citywide PAC meeting, a Neighborhood Engagement Workshop, and two public hearings in an effort to solicit feedback from Durham residents and City employees on budget priorities for the upcoming fiscal year.
- Maintained a website for citizens and City staff to track annexation requests and further the goal of enhanced communications.
- Processed seven voluntary annexation petitions.
- Developed the City Manager recommended annual budget for FY2012-13 and the Capital Improvement Plan for FY2013-18 on May 16, 2011.
- Posted the FY2011-12 final budget document to the City web site on June 30, 2010, and distributed thereafter.
- Maintained the CIP website to enable citizens to track the progress of capital improvement projects.
- Provided quarterly financial updates to the City Manager and Council. Proactively evaluated the fiscal impact of the economic slowdown, particularly with respect to revenues and development activity, and proposed effective financial strategies to prevent overspending and ensure a balanced FY2011-12 budget.
- Provided ongoing education opportunities to the public on the budget process and development of the FY2012-13 budget.
- Led organization-wide Culture of Service initiatives.
- Coordinated implementation of the Resident Opinion Survey.
- Facilitated quarterly Executive Team retreat.
- Continued implementing recommendations from the Employee Opinion Survey.
- Conducted Leadership Academy, City College, the Fourth Annual Fall Leadership Conference and the Fourth Annual Administrative Professionals Conference.
- Created and maintained a strategic plan website for citizens and City staff to track progress on measures and initiatives and to obtain general information about the City's Strategic Plan.
- Managed the Risk Management and the Human Resources process improvement implementations.
- Continued coordination of the Departmental Strategic Planning process.
- Expanded use of SharePoint platform to provide better collaboration with departments on the Strategic Plan, annual budget and CIP development, and budget monitoring.

DEPARTMENT INITIATIVES FOR FY 2012-13

- Develop and publish the FY2013-14 Budget and FY2014-19 Capital Improvement Plan.
- Monitor annual operating and CIP budgets.
- Refine the multi-year financial model.
- Refine the CIP model.
- Continue implementation of the Citywide strategic plan.
- Coordinate the Departmental strategic planning process.
- Coordinate the development and implementation of strategic departmental dashboards.
- Continue implementation of the Solid Waste, Risk Management and Human Resources process improvement recommendations.
- Identify and complete two process improvement initiatives.
- Provide quarterly financial updates to the City Manager and Council.
- Coordinate annual Coffees with Council and other budget outreach efforts.
- Coordinate the evaluation and updating of departmental performance measures.
- Process voluntary annexation petitions as received.
- Maintain the annexation and CIP websites.
- Continue to integrate Strategic Initiatives resources within the department to enhance the citywide focus on performance and delivery of services, leadership development, and a culture of service.
- Coordinate biennial Employee Opinion Survey and support organizational and departmental response to results.
- Coordinate organizational Culture of Service initiative.
- Continue to refine departmental performance measures.



Equal Opportunity/ Equity Assurance (5 FTEs)



EQUAL OPPORTUNITY AND EQUITY ASSURANCE

Purpose Statement:

To assist in creating a business environment where firms desiring to do business with the City can do so in an inclusive atmosphere, and services to our internal and external customers are accessible and delivered in an equitable manner.

DEPARTMENT DESCRIPTION

Equal Opportunity and Equity Assurance

\$655,948
5 FTEs

The Department of Equal Opportunity/Equity Assurance is responsible for the implementation of the City's Equal Business Opportunity Program (EBOP). Responsibilities include:

- Recruitment of small disadvantaged business enterprises (SDBEs) eligible to participate in the EBOP.
- Certification of businesses to service City contracts in the areas of construction, professional services, supplier/vendor and non-professional services.
- Maintenance of the SDBE database of all currently certified businesses.
- Business development through the provision of technical assistance and support.
- Administration and implementation of the Mentor-Protégé Program.
- Staff support to the EBOP Advisory Committee and the Mayor's Committee for Persons with Disabilities.
- Project identification for potential contracting opportunities from City departments.
- SDBE participation goal setting.
- EBOP compliance determination.
- Monitoring of SDBE participation in City contracting activity.
- Reporting of SDBE participation on City contracts and reporting on special projects as requested.
- Monitoring City compliance with Senate Bill 914 reporting requirements.

Business Services

Services consist of business recruitment, certification /recertification, database management, goal setting, compliance reporting, news brief and SDBE Spotlight.

Administrative Services

Services consist of program operations, financial operations, Human Resources functions, program monitoring, city and state compliance.

Technical Assistance Services

Series of small business education programs to include business finance, legal issues, bidding/estimating, small business technology, project management and business plan development.

RESOURCE ALLOCATION

	Actual FY 2010-11	Adopted FY 2011-12	Estimated FY2011-12	Proposed FY 2012-13	Change
Appropriations					
Personal Services	\$ 474,006	\$ 469,904	\$ 478,046	\$ 483,275	2.8%
Operating	59,789	74,164	72,737	172,673	132.8%
Total Appropriations	\$ 533,795	\$ 544,068	\$ 550,783	\$ 655,948	20.6%
Full Time Equivalents	5	5	5	5	-
Part Time	1	1	1	1	-
Revenues					
Discretionary	\$ 533,795	\$ 544,068	\$ 550,783	\$ 655,948	20.6%
Program	-	-	-	-	0.0%
Total Revenues	\$ 533,795	\$ 544,068	\$ 550,783	\$ 655,948	20.6%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Business Services **General Fund: \$267,849**
FTEs: 3.25

Goal: Strong and Diverse Economy

Objective: SDBEs will receive a percentage of City of Durham construction and professional services contracting dollars.

Initiative: Seek and make available economic and business development opportunities for SDBE firms and monitor participation.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% Dollars spent with minority-owned SDBEs in professional services	8%	10%	10%	10%
% Dollars spent with minority-owned SDBEs in construction	7%	15%	10%	15%
% Dollars spent with women-owned SDBEs in professional services	5%	5%	5%	5%
% Dollars spent with women-owned SDBEs in construction	5%	5%	5%	5%

Objective: To make economic and business development opportunities of \$500,000 or less available to Small Business Enterprises (SBEs) in the Durham Metropolitan Statistical Area (MSA).

Initiative: Implement Durham Small Business Enterprise Program.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures:				
% Professional services dollars spent with SBEs from contracts \$500,000 or less	N/A	N/A	N/A	100%
% Construction dollars spent with SBEs from contracts \$500,000 or less	N/A	N/A	N/A	100%

Program: Administrative Services **General Fund:** \$359,130
FTEs: 1.50

Goal: Well Managed City

Objective: To find City contracting activity in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting 100% of the time.

Initiative: Audit contract compliance in the OnBase Contract Workflow System.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures:				
% Contracts found in compliance with ordinance	N/A	100%	93%	100%
# Audits conducted	N/A	1	2	2

Objective: To assess the City's Equal Business Opportunity Program in providing equitable distribution of contracts to minority and women businesses.

Initiative: Conduct a Disparity Study.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures:				
# Disparity Studies conducted	N/A	N/A	N/A	1

Objective: To maintain a high level of departmental employee satisfaction.

Initiative: Implement departmental Employee Recognition Program; implement low/no cost morale boosters; allow staff participation in departmental decision-making.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures:				
% Questions on the Employee Opinion Survey rated at 80% or above	100%	100%	80%	80%

Program: Technical Assistance Program **General Fund:** \$28,969
FTEs: 0.25

Goal: Strong and Diverse Economy

Objective: Provide at least six educational programs to at least 10 small businesses per session.

Initiative: Offer series of educational programs focused on identified needs of small businesses and promote participation in programs.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# of programs held	N/A	6	6	6
# of small business participants per session	N/A	10	18	18
Average cost per session	N/A	\$504	\$280	\$280

BUDGET ISSUES FOR FY 2012-13

- Maintain current departmental service levels to fulfill the responsibilities of the Equal Business Opportunity Program and implement Small Business Enterprise Program.

COMPLETED INITIATIVES FOR FY 2011-12

- Actively sought business opportunities for certified SDBEs in all City contracting, as well as Durham County Government, Durham Public Schools projects and private sector projects.
- Conducted successful Minority Enterprise Development Week activities that included: a kick-off luncheon attended by approximately 75 persons and was highlighted by honoring three small businesses, two educational programs with approximately 60 attendees, a Business After Hours event attended by approximately 100 participants, a Business Trade Fair with approximately 200 attendees, a Meet the Purchaser networking event attended by approximately 100 participants and a Golf With A Minority Business Day with approximately 30 participants.
- Conducted six technical assistance seminars on various business development topics with an average of eighteen persons in attendance.
- Published monthly "SDBE Spotlights" to acquaint internal and external customers with the services of our certified firms.
- Sent bid news brief to SDBEs every two weeks to advise of business and educational opportunities and other information of interest to business owners.
- Worked for the successful passage of legislation granting the City the authority to implement a Small Business Enterprise Program.
- Sponsored two minority business networking events in coordination with the N.C. Institute of Minority Economic Development and the Greater Durham Black Chamber of Commerce with approximately 50-75 attendees at each event.

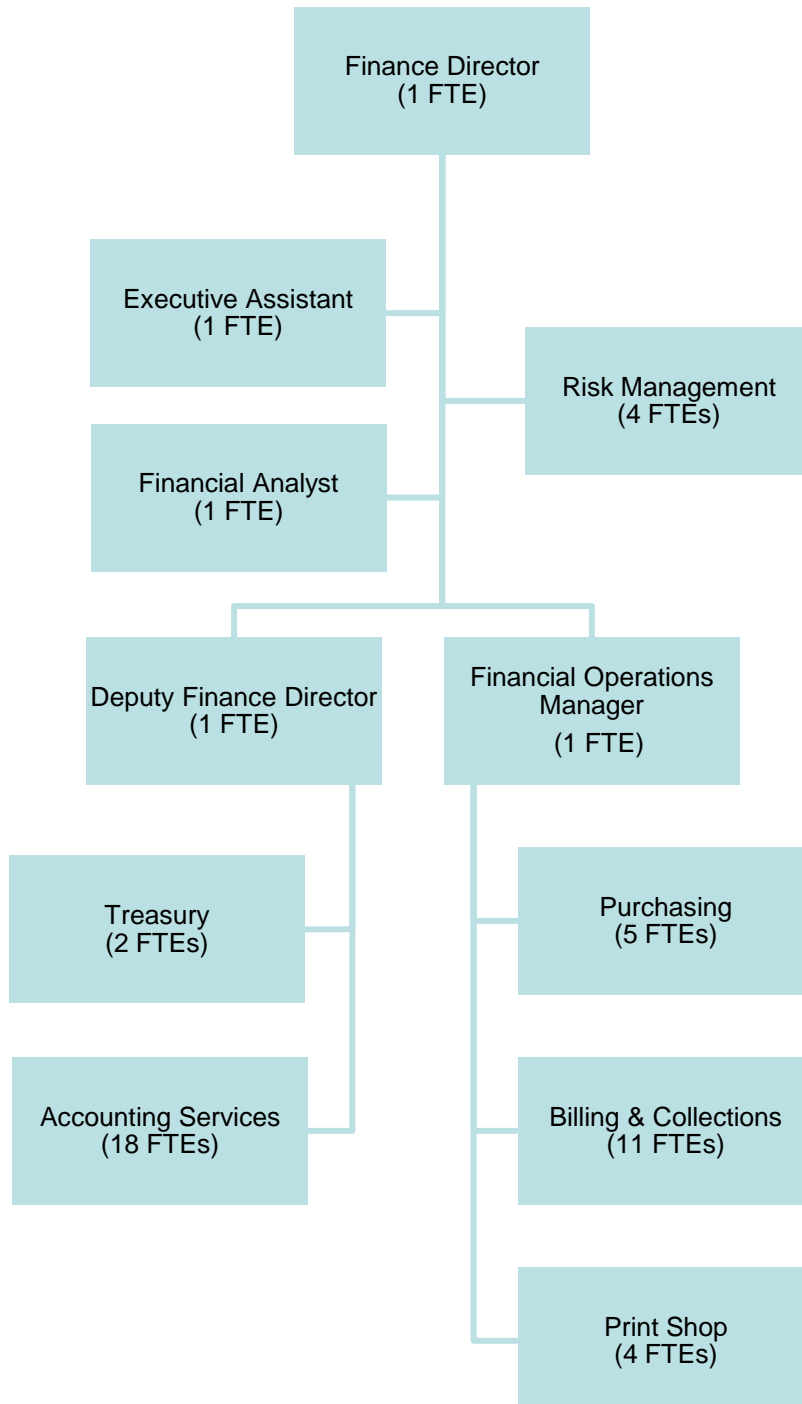
DEPARTMENT INITIATIVES FOR FY 2012-13

- Continue Technical Assistance Services component to include educational programs designed to support small business development.
- Continue efforts to increase the numbers of SDBEs.
- Actively seek specific business opportunities for SDBEs on all City projects.
- Implement Small Business Enterprise Program.
- Conduct a Disparity Study in conjunction with Durham County Government.
- Maintain high level of departmental employee satisfaction.



Finance

(49 FTEs)



FINANCE

Purpose Statement:

To protect the City's assets, efficiently process and record financial transactions, maintain fiscal integrity, provide timely, accurate and comprehensive financial reporting and analysis, and to professionally and prudently enhance the City's financial position.

DEPARTMENT DESCRIPTION

\$5,567,986
49 FTEs

Finance

The department is primarily responsible for enhancing the City's financial position. The department is divided into seven divisions: the office of the director, accounting services, treasury management, billing and collections, risk management and safety, purchasing, and the print shop.

Among other things, the department's budget includes the fees associated with the following contract payments to outside service providers: the fees to Durham County associated with the collection of property tax revenue under the interlocal tax contract; the fees to Duke Occupational and Environmental Medicine (OEM) associated with the provision of employee health services; the fees associated with the provision of banking and lockbox services for the maintenance of the City's bank accounts; and, the fees for investment advisory services to manage a portion of the City's portfolio.

Office of the Director

This program provides leadership and management direction for the department and policy formulation and analysis for the City.

Payroll

This program processes the biweekly payroll checks for approximately 2,300 City employees.

Accounts Payable

This program provides accounts payable for approximately 50,000 invoices per year.

Financial Reporting

This program provides financial reporting including CAFR, annual and quarterly financial reports, and federal, state, and other agency reports.

Purchasing

This program provides a centralized approach for bid specifications and solicitations for apparatus, supplies, equipment, and materials for all departments. Also included are contract compliance and disposal of surplus property.

Treasury Management

This program provides cash, investment portfolio, debt management, and banking services oversight and management.

Inter-local Tax Contract

Inter-local property tax collection contract with Durham County.

Billing and Collections

This program provides a centralized approach for non-utility billing, issues business licenses, and provides a centralized approach for cash collections of all revenues due the City.

Print Shop

This program provides a full service copy and printing shop as well as mail services.

Risk Management & Safety

This program provides claim management, supports departments in occupational safety and OSHA compliance, and coordinates occupational health services.

RESOURCE ALLOCATION					
	Actual FY 2010-11	Adopted FY 2011-12	Estimated FY2011-12	Proposed FY 2012-13	Change
Appropriations					
Personal Services	\$ 3,363,798	\$ 3,424,123	\$ 3,474,667	\$ 3,504,320	2.3%
Operating	2,154,712	2,456,374	2,408,264	2,063,666	-16.0%
Capital	-	-	-	-	0.0%
Total Appropriations	\$ 5,518,510	\$ 5,880,497	\$ 5,882,931	\$ 5,567,986	-5.3%
Full Time Equivalents	50	50	50	49	-1
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 5,258,426	\$ 5,635,338	\$ 5,669,623	\$ 5,302,695	-5.9%
Program	69,354	56,500	70,329	81,344	44.0%
General Fund	\$ 5,327,780	\$ 5,691,838	\$ 5,739,952	\$ 5,384,039	-5.4%
Water & Sewer Fund	190,730	188,659	142,979	183,947	-2.5%
Total Revenues	\$ 5,518,510	\$ 5,880,497	\$ 5,882,931	\$ 5,567,986	-5.3%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Office of the Director

General Fund: \$516,171

FTEs: 4

Goal: Well Managed City

Objective: To maintain the highest possible credit ratings from all ratings agencies.

Initiative: To present information to the rating agencies that illustrates the City's financial, administrative, and economic strengths.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures:				
Credit rating issued by S&P	AAA	AAA	AAA	AAA
Credit rating issued by Fitch	AAA	AAA	AAA	AAA
Credit rating issued by Moody's	Aaa	Aaa	Aaa	Aaa

Objective: Ensure effective internal communication.

Initiative: Develop an action plan to address any issues on the employee opinion survey scoring below 65%.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
% Questions on employee opinion survey regarding communication rating at or above 65%	N/A	N/A	N/A	95%

Program: Payroll

General Fund: \$262,697
FTEs: 3.5

Goal: Well Managed City

Objective: To process each bi-weekly payroll on time with error rate of less than 0.02%.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# Payroll checks issued	2,451	3,800	2,975	3,375
# Direct deposits	64,412	72,000	68,250	68,800
% Payroll processed on time	100%	100%	100%	100%
# Checks/advices issued with errors	N/A	12	12	12
% Checks/advices issued without error	N/A	99.98%	99.98%	99.98%

Objective: To ensure that all balance sheet general ledger accounts associated with payroll are maintained accurately.

Initiative: To perform account reconciliations thoroughly each accounting period according to the established schedule.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# GL accounts reconciled	N/A	N/A	1,860	1,930
% GL accounts reconciled (corrected if necessary) each month	N/A	100%	100%	100%

Program: Accounts Payable

General Fund: \$412,811
FTEs: 5.5

Goal: Well Managed City

Objective: To pay 95% of all invoices within 30 days of invoice date.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# Invoices	50,594	41,000	50,000	50,000
% Invoices paid within 30 days	84.3%	95%	88.5%	95%

Program: Financial Reporting

General Fund: \$672,143
FTEs: 9

Goal: Well Managed City

Objective: To prepare financial reports that are timely and of the quality warranting an unqualified audit opinion and GFOA awards for excellence in financial reporting.

Initiative: To prepare quality financial reports.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
Was audit opinion unqualified?	Yes	Yes	Yes	Yes
Did CAFR receive GFOA award?	Yes	Yes	Yes	Yes
Did Popular Report receive GFOA award?	Yes	Yes	Yes	Yes
# Significant material findings in internal and external audits	1	0	0	0

Program: Purchasing

General Fund: \$478,892
FTEs: 6

Goal: Well Managed City

Objective: To complete the purchasing cycle (requisition to PO) for purchases of commodities within an average of 2 days.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# Purchase orders (PO)	23,700	24,250	22,900	23,000
Average cycle time for POs (days)	2	2	2	2

Objective: To complete 95% of all Finance Officer's pre-audit certification of contracts within 3 days of notification via OnBase.

Initiative: To manage and follow-up on the process.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# Contracts	1,138	1,100	705	800
% Contracts certified within 3 days	N/A	95%	95%	95%

Program: Treasury Management

General Fund: \$501,701
FTEs: 2

Goal: Well Managed City

Objective: To ensure that investment earnings for idle funds exceed the cost of managing those funds and contribute to the "bottom line."

Initiative: To more actively manage the City's investment portfolio.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
Actual investment % yield vs. average daily 2 year treasury yield for same period	N/A	N/A	+0.38%	+0.10%
Actual investment \$ yield vs. average daily 2 year treasury yield for same period	N/A	N/A	600,000	125,000
Program:	Interlocal Tax Contract		General Fund: \$1,294,067	
			FTEs: 0	
Goal:	Well Managed City			
Objective:	To ensure that the County Tax Collector maximizes the property tax collection rate.			
Initiative:	To utilize best practices and to maximize the collection rate.			

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
% Collection rate	98.75%	98.5%	98.5%	98.5%
Program:	Billing and Collections		General Fund: \$456,903	
			FTEs: 7	
			Water & Sewer Fund: \$183,947	
			FTEs: 4	
Goal:	Well Managed City			
Objective:	To ensure that only those citizens deserving of bills for false alarms responses are billed.			
Initiative:	To utilize best practices and continuously improve quality and investigate the possibility of implementing an automated solution.			

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
\$ Value of false alarm bills issued	239,950	300,000	196,500	209,000
% False alarm bills issued correctly	N/A	99%	98.75%	99%
Objective:	To maximize earnings from business licensing by ensuring that discovery efforts result in an increase in the number of licensed businesses.			
Initiative:	To increase diligence in identifying unlicensed businesses operating within the City and develop an "audit" program.			

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Business licenses issued	12,206	11,550	11,000	12,000
# New licenses issued resulting from discovery efforts	N/A	N/A	23	25
% Change in business licenses resulting from discovery efforts	N/A	N/A	N/A	9%

Objective: To ensure that all payments received are posted within 24 hours of the City receiving them.

Initiative: To utilize best practices and continuously improve quality.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Payments posted within 24 hours of receipt	695	1,100	800	750
% Payments posted within 24 hours of receipt	98%	100%	100%	100%

Objective: To reduce number of delinquent accounts within Utility Billing (UB) by 7.5% and within General Billing (GB) by 10%.

Initiative: To pursue more aggressive collection efforts utilizing new tools such as collection agency, wage garnishment, bank account attachment, and other strategies as appropriate or allowed by law.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Delinquent accounts UB	23,480	25,000	20,328	18,800
# Delinquent accounts GB	3,972	5,475	4,510	4,059
% Reduction in delinquent accounts UB	N/A	7.5%	13.4%	7.5%
% Reduction in delinquent accounts GB	N/A	10.0%	-13.5%	10.0%

Program: Risk Management and Safety

General Fund: \$574,196

FTEs: 4

Goal: Safe and Secure Community

Objective: To ensure the safety of city facilities and work-sites by increasing the number of safety inspections and by evaluating facility and site inspection reports to identify and correct hazards and potential hazards.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Inspections	9	10	13	16
% Change in number of inspections	12.5%	25%	62.5%	23%
# Deficiencies noted	N/A	N/A	45	20
% Deficiencies corrected within 90 days	N/A	N/A	N/A	100%

Objective: To reduce the average number of loss workdays per claim by 5%.

Initiative: To develop new employee safety program that will include training more closely targeted at work hazards and exposures and other risks identified through claims analysis.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Worker's compensation claims	251	300	300	295
% Reduction in annual average loss workdays per claim	N/A	5%	20%	5%

Objective: To reduce at fault automobile accidents by 5%.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Auto accidents	50	74	195	180
% Reduction in number of at fault automobile accidents	N/A	5%	-10%	5%

Objective: To ensure timely reporting of results of medical evaluations by ensuring that all results are communicated back to departments within 5 days of original request.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Medical evaluations	717	350	800	1,000
% Cases where results are communicated within 5 days	N/A	100%	100%	100%

Program: Print Shop

General Fund: \$214,458

FTEs: 4

Goal: Well-Managed City

Objective: To ensure that 98% of all jobs are completed within timeline established by service level commitments.

Initiative: To utilize best practices and continuously improve quality.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Print jobs	1,001	1,000	990	1,100
% Print jobs completed on time	N/A	95%	98%	98%

Objective: To ensure that 99% of all jobs accepted as "rush" are delivered as agreed with customer.

Initiative: To maintain continuous process improvement in the City's print shop.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# Rush jobs	N/A	12	147	150
% Rush jobs completed as agreed	N/A	95%	99%	99%

BUDGET ISSUES FOR FY 2012-13

- Reductions in staffing levels over the past several budget years will continue to create challenges within the department as workloads and demands for services have not declined.
- During the spring of 2012, the City will be renegotiating the inter-local property tax contract with the County, with a goal of paying for property tax collection services on the most equitable basis.

COMPLETED INITIATIVES FOR FY 2011-12

- Developed and implemented an enhanced safety program in connection with the operating departments.
- Engaged new third party administrator for compensation claims administration.
- Contributed to the Culture of Service to Co-workers initiative by hosting a Risk Summit and a Safety Fair.
- Retained collection agency to increase percentage of fees collected for Utility Billing non-active accounts and all General Billing segments.
- Increased usage of procurement cards by City departments, provided training for end-users, and increased rebate amount from the Bank of America.
- Streamlined the travel expense reimbursement process.
- Better linked the debt model to the financial model (joint project with BMS Department).
- Initiated electronic distribution of W-2 forms to employees.
- Received a "clean," unqualified audit opinion, with no issues to report in the Management Letter, on the FY 2010-11 financial statements along with a single audit report that identified no new findings related to the City's expenditure of Federal Funds.
- Maintained credit ratings that make the city one of the highest rated public entities in the country, and Moody's upgraded to Aa1 the credit rating for Water and Sewer Utility System Revenue Bonds.
- Entered into an Installment Purchase Contract for \$3 million to fund acquisition of new fleet vehicles for a five year term at a True Interest Cost (TIC) of 1.78 percent.
- Facilitated approval of HUD Section 108 loan; \$8.8 million for Rolling Hills/Southside redevelopment.
- Updated all Finance Department policies.
- Updated indirect cost allocation plan.
- Dissolved Durham Risk Management Corporation (RMC); this was an entity formed to facilitate debt issuance for the Risk Fund, which is a functionality no longer needed.
- Upgraded duplicating and printing capabilities in the print shop.
- Transitioned printing of water bills from Technology Solutions to the print shop.
- Provided quarterly financial updates to the City Manager and Council (joint project with BMS Department).
- Received 26th consecutive Certificate of Achievement for Excellence in Financial Reporting for the comprehensive annual financial report (CAFR).
- Received seventh consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting.
- Received ninth consecutive Sustained Professional Purchasing Award from the Carolinas Association of Governmental Purchasing.

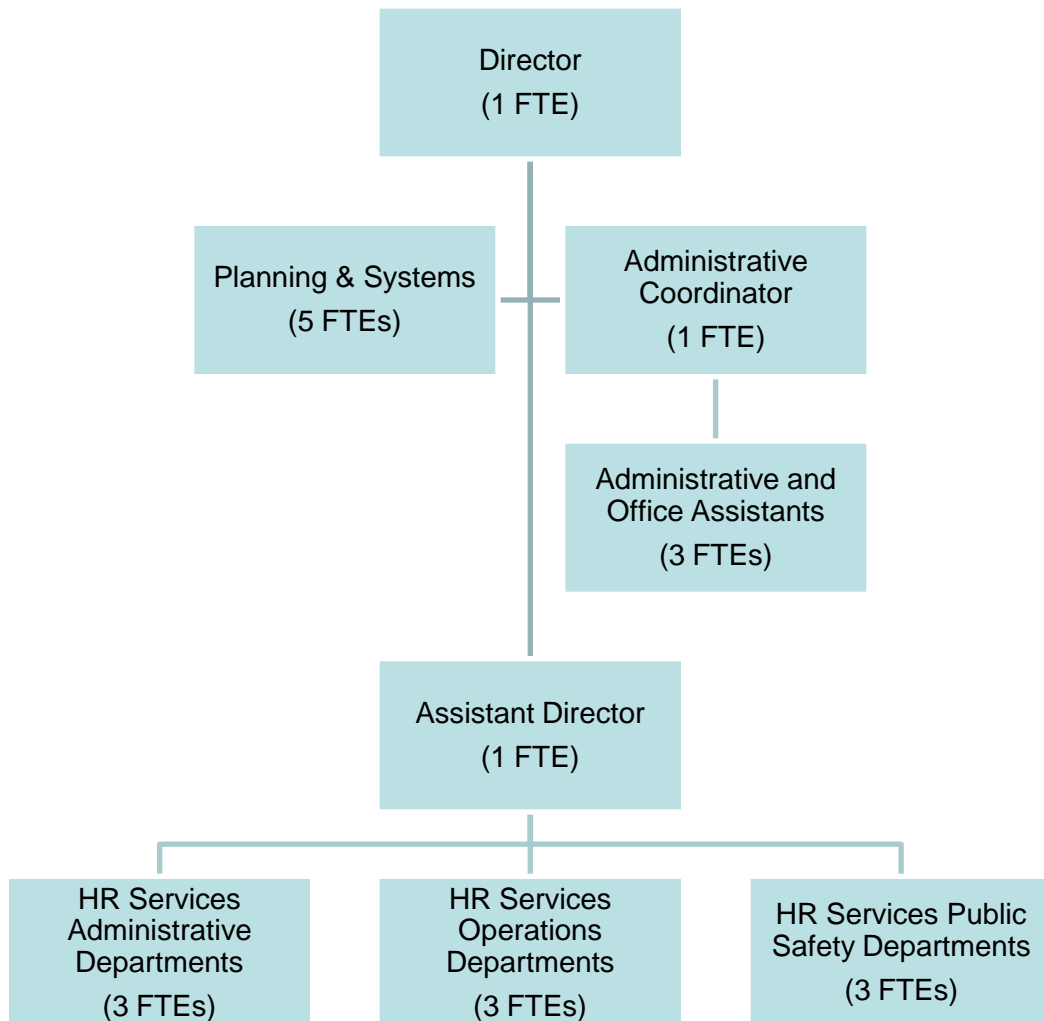
DEPARTMENT INITIATIVES FOR FY 2012-13

- Identify opportunities to enhance relationships with financial institutions and drive down banking costs.
- Focus on staff development by allocating more resources towards training opportunities.



Human Resources

(20 FTEs)



HUMAN RESOURCES

Purpose Statement:

To recruit, retain and develop the best possible workforce for the City of Durham.

DEPARTMENT DESCRIPTION

\$1,663,558
20 FTEs

Human Resources

The Human Resources Department provides the City of Durham with personnel based services. These services are dedicated to attracting and retaining well qualified employees and to creating a positive environment in which the employees work. The services provided to departments include: assistance with benefits, selection and recruiting, compensation and classification, training, employee relations, wellness, and consultation on employee relations matters and organizational issues. The department provides administration and oversight of the City's benefit plans, wellness and Employee Assistance Program (EAP), substance abuse testing, coordinates training, and ensures compliance with federal and state regulations and organizational policies.

The department assists the City's administration through advice and consultation on personnel related issues, policy development and maintenance as well as participation in the City's organizational develop and strategic planning activities. The Human Resources Department administers the City's pay and classification system, benefits program, the Human Resources Information System (HRIS) and employee relations activities.

General Administration

The Administration unit is responsible for consistent development, application, interpretation and communication of personnel policies to management, supervisors, employees and the public; for the development and coordination of responses to various compliance agency cases; and for the overall operation of the department including the day-to-day operations and the budget. The unit also provides oversight for the various pay plans that the City maintains.

Planning and Systems

The Planning and Systems team is responsible for the central management of employee benefit programs, substance abuse policy administration, the employee assistance program, MUNIS Employee Self Service administration, the Medicare Supplement program, Paid Temporary Disability coordination; coordination of the retiree benefits program and retiree planning; COBRA administration; preparation of salary and benefit survey responses, new employee and city-wide training, and regulation compliance for the department. This includes the preparation of any benefits request for proposals and temporary staffing. The team is responsible for ensuring that the service teams have updated and appropriate information for regulated programs. The team also provides a part of the MUNIS module management for HR.

Operations Team

The Operations Team provides complete HR services to operational departments. This includes: screening applications, ensuring that jobs are appropriately advertised, assisting with interview panels and assessment processes in customer departments, personnel action processing, and providing information and assistance to employees in assigned departments in the areas of benefits, employee relations, training, performance management, and compensation and classification (including client department incentives and support Parks and Recreation part-time pay plan). The team also provides a part of the MUNIS module management for HR.

Public Safety Team

The Public Safety Team provides complete HR services to Police, Fire and Emergency Communications. This includes screening applications, ensuring that jobs are appropriately advertised, developing interview questions, assisting with interview panels and assessment processes, personnel actions processing and leave adjustments and providing information and assistance to assigned departments in benefits, employee relations, training, performance management, compensation and classification. Administer and proctor Police and Fire testing of all processes. Conducts various trainings in the NET and coordinates the Re-entry program. Employee Relations

coordination, facilitation and monitoring of ESC hearings, assigned investigations, grievances, mediations and responses to all ESC information requests are a part of this team's functions.

Administrative Team

The Administrative Team provides complete HR services to assigned administrative departments. This includes: screening applications, ensuring that jobs are appropriately advertised, developing interview questions and assisting with interview panels and other assessment processes, personnel action processing and providing basic information to assigned departments in the areas of benefits, employee relations, training, performance management, and compensation and classification. This team also provides coordination of two community services programs, Durham Neighborhood College and Junior Leadership Durham.

Support Services Team

This team provides technical and clerical support to the Human Resources Department including office reception, office management, personnel record maintenance, storage and disclosure, advertisement of positions, providing database reports, and provision of appropriate forms and procedural information to employees who contact the Human Resources Department. Personnel action entry and approval, and benefits information may also be provided by this team.

Training Pool

This is the fund from which organization-wide training is paid. This includes trainers, consultants, facilitators, training resources, and tuition reimbursement for all City employees.

RESOURCE ALLOCATION						
	Actual FY 2010-11	Adopted FY 2011-12	Estimated FY2011-12	Proposed FY 2012-13	Change	
Appropriations						
Personal Services	\$ 1,533,751	\$ 1,525,209	\$ 1,524,570	\$ 1,566,609		2.7%
Operating	127,347	110,062	125,000	96,949		-11.9%
Capital	-	-	-	-		0.0%
Subtotal Appropriations	\$ 1,661,098	\$ 1,635,271	\$ 1,649,570	\$ 1,663,558		1.7%
Drug Testing	\$ 46,131	\$ 42,000	\$ 67,500	\$ -		-100.0%
Hospital Reimbursement	45,208	150,000	149,980	150,000		0.0%
Unemployment Compensation	284,297	285,000	523,518	350,000		22.8%
Subtotal Nondepartmental	\$ 375,636	\$ 477,000	\$ 740,998	\$ 500,000		4.8%
Total Appropriations	\$ 2,036,734	\$ 2,112,271	\$ 2,390,568	\$ 2,163,558		2.4%
Full Time Equivalents	19	20	20	20		-
Part Time	1	1	1	1		-
Revenues						
Discretionary	\$ 2,036,659	\$ 2,112,271	\$ 2,390,568	\$ 2,163,558		2.4%
Program	75	-	-	-		0.0%
Total Revenues	\$ 2,036,734	\$ 2,112,271	\$ 2,390,568	\$ 2,163,558		2.4%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: General Administration

General Fund: \$583,033

FTEs: 6

Goal: Well Managed City

Objective: To maintain customer satisfaction with HR services.

Initiative: Survey organization at least once annually.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
Surveys Distributed	N/A*	1,000	2,241	1,500
% Employees completing Survey	N/A*	80%	25%	25%
# Employees rating HR services satisfactory or better	N/A*	85%	61%	85%
*No Survey in 2011				

Program: General Administration

General Fund: Part of Gen. Admin.

Goal: Well Managed City

Objective: To recruit and retain applicants for City employment.

Initiative: Reduce recruitment/selection time from posting to hire.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# Days from posting to hire	51	N/A	45	50

Program: Planning and Systems Team

General Fund: \$298,116

FTEs: 5

Goal: Well Managed City

Objective: To have a healthy workforce.

Initiative: To provide wellness activities and information to employees.

	Actual	Adopted	Estimated	Proposed
Measures:	FY11	FY12	FY12	FY13
# Wellness activities or programs provided	N/A	30	45	50
# Health risk assessment surveys or studies conducted	N/A	800	800	900
# Members who participate in at least one wellness activity or program (2,600 total members)	N/A	900	1,700	1,800
% Members who submit information for health risk assessments (2,600 total members)	N/A	65%	40%	65%

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% Members who attend educational events (2,600 total members)	N/A	45%	50%	50%
% Difference in medical trend compared to national average ((national PEPY - COD PEPY) /national PEPY)	N/A	3%	-34%	-20%
Average claim amount	N/A	\$145	\$150	\$145
% Increase in health assessment participants	N/A	10%	10%	10%
# Primary care provider annual wellness visits during the benefit year	N/A	1,200	1,350	1,400

Program: Operations Team **General Fund:** \$269,423
FTEs: 3

Goal: Well Managed City

Objective: To maintain satisfaction with salary and classification services.

Initiative: To recognize employees' work and align job duties/responsibilities with City goals and market values.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Reclassification studies (occupied positions) completed during annual process	11	15	55	43
% Appeals that are upheld	96%	95%	96%	95%
% City employees ranking the compensation and classification systems as satisfactory or better	N/A	75%	46%	75%

Program: Public Safety Team **General Fund:** \$231,730
FTEs: 3

Goal: Well Managed City

Objective: To maintain satisfaction with salary and classification services.

Initiative: To recognize employees' work and align job duties/responsibilities with City goals and market values.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Pay system adjustments needed	25	25	33	25
% Pay system adjustments implemented	97%	85%	100%	85%
% Studied classifications whose midpoint is within 90% of market	97%	95%	86%	95%
*Study has not been completed				

Program: Administrative Team **General Fund:** \$255,056
FTEs: 3

Goal: Well Managed City

Objective: To promote a positive work environment, increasing the number of positive contacts.

Initiative: To promote employee professionalism and respect for coworkers.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Workshops and training events held	68	40	86	60
% Registered employees who attend workshops or training	N/A	90%	90%	90%
% Employees rating meetings, workshops, trainings as effective	N/A	85%	96%	85%

Program: Support Services Team **General Fund:** Part of Gen.
FTEs: Admin.

Goal: Well Managed City

Objective: To provide comprehensive, secure Human Resources documentation, information and data management.

Initiative: Maintain accurate MUNIS records, personnel records, Employee Self Service (ESS), document management intake.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
# Requests for records	N/A	100	52	60
% Response to request (defining scope of data needed with customer within 48 hours)	N/A	90%	94%	90%

Program: Training Pool **General Fund:** \$26,200
FTEs: 0

Goal: Well Managed City

Objective: To provide training to individuals to enhance their career development.

Initiative: To survey training participants to learn if training was beneficial.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures:				
# Training participants	1,166	500	2,150	2,200
% Rating training classes as satisfactory or above	94%	94%	94%	90%
% Stating training was beneficial to career enhancement and/or job performance	N/A	88%	90%	90%

Goal: Well Managed City

Objective: Ensure effective internal and external communication/satisfaction.

Initiative: Develop an action plan to address any issues on the employee opinion survey scoring below 65%. Improve communication and satisfaction with external customers (City departments). Evaluate the level of effectiveness of various means of internal communication. Implement communication strategies identified as most effective.

	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
Measures:				
% Questions on employee opinion survey regarding communication/satisfaction rating at or above 70%.	N/A	N/A	N/A	65%
% Questions on annual survey to departments rating at satisfied or above	N/A	N/A	N/A	70%
% Questions on the Employee Opinion Survey rated at 65% or above	N/A	N/A	N/A	65%

BUDGET ISSUES FOR FY 2012-13

- Maintain key programs at an effective level of service while providing required support of the MUNIS system.
- Train Human Resources staff while maintaining adequate service levels.
- Continued development of targeted and active recruitment strategies.
- Negotiate with vendors to manage insurance costs, review and modify employee health benefits, continue developing a wellness program, and reviewing case management with insurance providers.
- Maintenance and management of personnel files in order to comply with amended personnel privacy law.

COMPLETED INITIATIVES FOR FY 2011-12

- Continued targeted recruitment and outreach programs (staff participated in job fairs, re-entry hiring, direct contact with schools).
- Continued Human Resources policy updates.
- Began implementation of PayDesigner system.
- Developed updated job descriptions for most positions and maintained compensation system.
- The Neighborhood College and Junior Leadership Day were completed.
- Continued participation in the ERP project.
- Continued citywide wellness program activities.

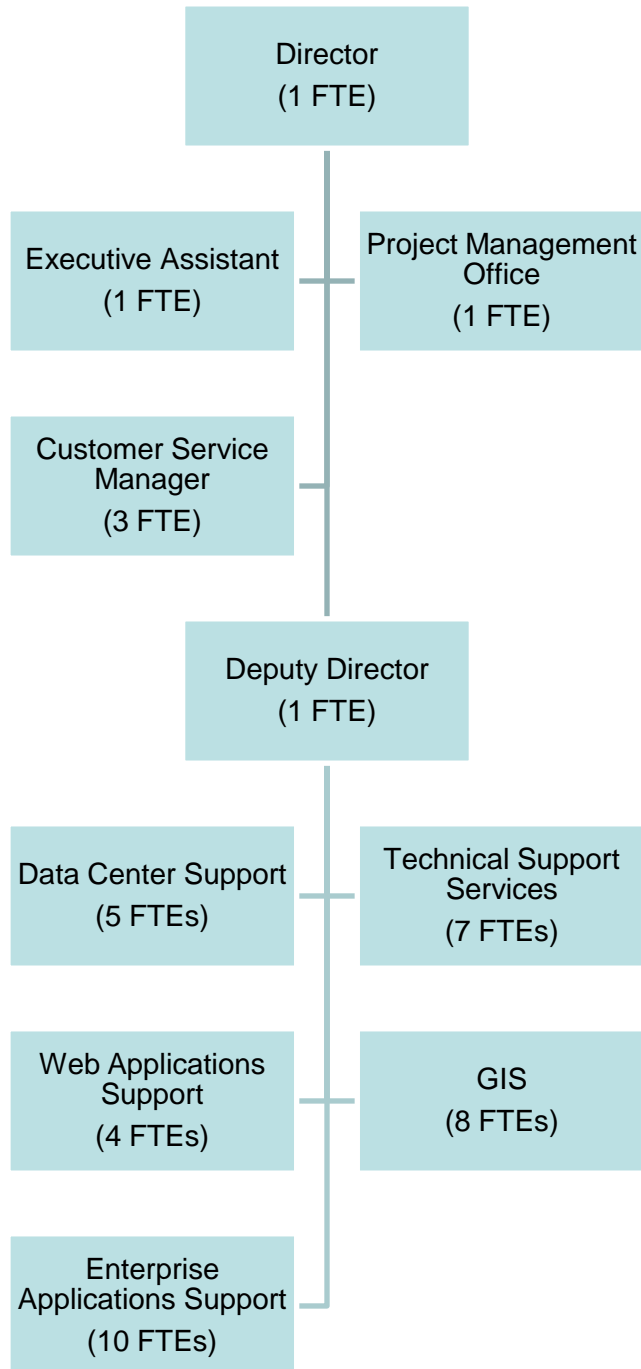
DEPARTMENT INITIATIVES FOR FY 2012-13

- Contain healthcare costs through usage analysis and providing member education.
- Continue Human Resources policy updates.
- Continue participation in strategic planning process.
- Continue updates as needed to maintain current and accurate job descriptions.
- Maintain compensation systems (Executive, Exempt, Non-Exempt, General, Police, Fire, Part-time) and begin to use the PayDesigner system.
- Continue the Neighborhood College and Junior Leadership Day.
- Continue work on Applicant Tracking System.
- Continue City wide wellness program activities.



Technology Solutions

(41 FTEs)



Technology Solutions

Purpose Statement:

To provide a quality service that improves our customers' productivity and decision-making process through the use of technology, efficient system configuration, network and database management, and customized and acquired applications and training. To work diligently toward continuously evaluating the information technology strategies and infrastructure to assure this objective. To ensure the City's investment in information technology adds value to the City's business and its citizens.

DEPARTMENT DESCRIPTION

Technology Solutions Department

\$5,947,447
41 FTEs

The core business of the Technology Solutions Department (TS) is to align the City's crucial information technology infrastructure, systems and human capital to the business needs of the City's departments. Within the TS department's administrative program, there are three additional business programs: Project Management Office, IT Governance, and Customer Service Management.

Administration

This program provides for strategic planning and executive management of the Technology Solutions Department. The program contains three additional business programs: Project Management Office, IT Governance, and Customer Service Management.

Technical Support Services

Technical Support Services Program within TS Department supports the maintenance of desktop systems, network services and data center operations. This division of the TS department also manages the PC Replacement Program and systems administration of the computer-wide area network and datacenter. It provides efficient and effective computer and infrastructure support services for employees, desktop systems and application, telecommunications, security, network and data center infrastructure and operations.

Innovation & Solutions

The Innovations and Solutions Program provides business analysis, web applications development, database development and administration, and MUNIS ERP system support.

The Geographic Information Systems

This program operates under an inter-local agreement between the City and County governments to manage the enterprise Geographic Information System and provide related services to internal and external customers.

Technology Surcharge / Land Development Office (LDO)

The City's Planning and Inspections Departments collect a technology surcharge fee applicable to development permits. These revenues are designated to improving technology associated with the LDO.

RESOURCE ALLOCATION

	Actual FY 2010-11	Adopted FY 2011-12	Estimated FY2011-12	Proposed FY 2012-13	Change
Appropriations					
Personal Services	\$ 3,348,685	\$ 3,461,618	\$ 3,403,133	\$ 3,684,629	6.4%
Operating	1,792,361	1,971,652	2,420,544	2,250,602	14.1%
Capital	-	67,500	146,772	12,216	-81.9%
Total Appropriations	\$ 5,141,046	\$ 5,500,770	\$ 5,970,449	\$ 5,947,447	8.1%
Full Time Equivalents	39	40	40	41	1
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 4,722,900	\$ 5,057,157	\$ 5,525,836	\$ 5,534,332	9.4%
Program	418,146	443,613	444,613	413,115	-6.9%
Total Revenues	\$ 5,141,046	\$ 5,500,770	\$ 5,970,449	\$ 5,947,447	8.1%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Administration **General Fund: \$948,016**
FTEs: 7

Goal: Well Managed City

Objective: To efficiently and effectively align resources and services with business needs maintaining operating costs at less than 5% of City overall budget; and receive a 90% or better customer satisfaction rating.

Initiative: Establish Citywide IT Governance Framework based on best practice methodologies focused on information technology (IT) systems, their performance and risk management to accomplish goal. Create new programs to manage and align to business needs.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% City budget < 5%	N/A	1.53%	1.53%	1.53%
# Meetings with customers to facilitate technical solutions	N/A	N/A	981	981
% IT overall satisfaction (Bi-annual)	N/A	90%	87%	90%
% IT overall Satisfaction (Help Desk)	N/A	90%	98%	98%

Program: Technical Support Services **General Fund: \$2,267,012**
FTEs: 12

Goal: Well Managed City

Objective: Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.

Initiative: Align TS Infrastructure and computer support services and resources to the business needs of the City using best practice methodologies.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% Customer rating satisfaction (Bi-annual)	N/A	90%	93%	93%
% IT overall Satisfaction (Help Desk)	N/A	N/A	97%	97%
# Tickets closed per technician	472/1	500/1	508/1	550/1
% Requests completed within 24 hours or by customer approved due date	N/A	90%	75%	80%

Program: Innovation & Solutions **General Fund: \$1,726,329**
FTEs: 14

Goal: Well Managed City

Objective: Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.

Initiative: To deliver innovative solutions, and support to meet the business needs of the City. This is done using best practice methodologies while effectively aligning resources and services.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% Customer rating satisfaction (Bi-annual)	N/A	N/A	90%	90%
% IT overall Satisfaction (Help Desk)	N/A	N/A	98%	95%
Applications and services to staff ratio	625/14	625/14	920/13	920/13
# Tickets closed per technician	249/1	260/1	297/1	297/1
% Requests completed within 24 hours or by customer approved due date	N/A	90%	86%	88%

Program: Geographic Information Systems **General Fund: \$801,304**
FTEs: 8

Goal: Well Managed City

Objective: Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.

Initiative: To deliver innovative solutions, and support to meet the business needs of the City. This is done using best practice methodologies while effectively aligning resources and services.

Measures:	Actual FY11	Adopted FY12	Estimated FY12	Proposed FY13
% Customer rating satisfaction (Bi-annual)	N/A	90%	92%	92%
% IT overall Satisfaction (Help Desk)	N/A	N/A	98%	98%
# Tickets closed per technician	77/1	77/1	224/1	224/1
% Requests completed within 24 hours or by customer approved due date	N/A	90%	97%	97%

Program: Technology Surcharge / Land Development Office (LDO)

General Fund: \$204,786

BUDGET ISSUES FOR FY 2012-13

- Hiring staff with the appropriate skill sets to support the City's network and SharePoint platform.
- Additional Automation Requirements (i.e. Timekeeping, Digital Imaging, etc) needed by departments that will impact TS resources (Datacenter/Network Infrastructure, Help Desk Support, Business Analysis Support).

COMPLETED INITIATIVES FOR FY 2011-12

- Completed IT Infrastructure Improvement Project to implement critical IT infrastructure, and security improvements and upgrades.
- Continued implementation of the SharePoint Internet/Intranet project.
- Upgraded MUNIS ERP to Version 8.3.
- Updated the current elevation and terrain surface data with the Topographic Data Acquisition for Durham County project.
- Implemented a Project Management Office to manage, govern, and align all technology projects to business needs.
- Evaluated advanced mobile computing programs for public safety, field services and other City programs.
- Analyzed the value to the City of using cloud computing by piloting Microsoft's hosted service of Microsoft Office 365.

DEPARTMENT INITIATIVES FOR FY 2012-13

- Establish Internal VoIP System Initiative.
- Establish Internal TS support for CityWorks.
- Continue SharePoint Implementation.